



Sen. Kimberly A. Lightford

Filed: 5/9/2014

09800HB3754sam001

LRB098 14418 NHT 59336 a

1 AMENDMENT TO HOUSE BILL 3754

2 AMENDMENT NO. _____. Amend House Bill 3754 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The State Finance Act is amended by changing
5 Section 5.796 as follows:

6 (30 ILCS 105/5.796)

7 Sec. 5.796. The State Board Charter Appeal and Charter
8 Authorization ~~Charter School Commission~~ Fund.

9 (Source: P.A. 97-152, eff. 7-20-11; 97-813, eff. 7-13-12.)

10 Section 10. The School Code is amended by changing Sections
11 27A-3, 27A-5, 27A-7.5, 27A-7.10, 27A-8, 27A-9, and 27A-12 and
12 by adding Sections 27A-9.5, 27A-9.10, and 27A-9.15 as follows:

13 (105 ILCS 5/27A-3)

14 Sec. 27A-3. Definitions. For purposes of this Article:

1 "At-risk pupil" means a pupil who, because of physical,
2 emotional, socioeconomic, or cultural factors, is less likely
3 to succeed in a conventional educational environment.

4 "Authorizer" means either:

5 (1) a local school board that authorizes a district
6 charter school pursuant to Section 27A-8 of this Code; or

7 (2) the State Board acting pursuant to Section 27A-9.10
8 of this Code. ~~an entity authorized under this Article to~~
9 ~~review applications, decide whether to approve or reject~~
10 ~~applications, enter into charter contracts with~~
11 ~~applicants, oversee charter schools, and decide whether to~~
12 ~~renew, not renew, or revoke a charter.~~

13 ~~"Commission" means the State Charter School Commission~~
14 ~~established under Section 27A 7.5 of this Code.~~

15 "Local school board" means the duly elected or appointed
16 school board or board of education of a public school district,
17 including special charter districts and school districts
18 located in cities having a population of more than 500,000,
19 organized under the laws of this State.

20 "State Board" means the State Board of Education.

21 (Source: P.A. 97-152, eff. 7-20-11.)

22 (105 ILCS 5/27A-5)

23 Sec. 27A-5. Charter school; legal entity; requirements.

24 (a) A charter school shall be a public, nonsectarian,
25 nonreligious, non-home based, and non-profit school. A charter

1 school shall be organized and operated as a nonprofit
2 corporation or other discrete, legal, nonprofit entity
3 authorized under the laws of the State of Illinois.

4 (b) A charter school may be established under this Article
5 by creating a new school or by converting an existing public
6 school or attendance center to charter school status. Beginning
7 on the effective date of this amendatory Act of the 93rd
8 General Assembly, in all new applications submitted to the
9 State Board or a local school board to establish a charter
10 school in a city having a population exceeding 500,000,
11 operation of the charter school shall be limited to one campus.
12 The changes made to this Section by this amendatory Act of the
13 93rd General Assembly do not apply to charter schools existing
14 or approved on or before the effective date of this amendatory
15 Act.

16 (b-5) In this subsection (b-5), "virtual-schooling" means
17 the teaching of courses through online methods with online
18 instructors, rather than the instructor and student being at
19 the same physical location. "Virtual-schooling" includes
20 without limitation instruction provided by full-time, online
21 virtual schools.

22 From April 1, 2013 through April 1, 2014, there is a
23 moratorium on the establishment of charter schools with
24 virtual-schooling components in school districts other than a
25 school district organized under Article 34 of this Code. This
26 moratorium does not apply to a charter school with

1 virtual-schooling components existing or approved prior to
2 April 1, 2013 or to the renewal of the charter of a charter
3 school with virtual-schooling components already approved
4 prior to April 1, 2013.

5 ~~On or before March 1, 2014, the Commission shall submit to~~
6 ~~the General Assembly a report on the effect of~~
7 ~~virtual schooling, including without limitation the effect on~~
8 ~~student performance, the costs associated with~~
9 ~~virtual schooling, and issues with oversight. The report shall~~
10 ~~include policy recommendations for virtual schooling.~~

11 (c) A charter school shall be administered and governed by
12 its board of directors or other governing body in the manner
13 provided in its charter. The governing body of a charter school
14 shall be subject to the Freedom of Information Act and the Open
15 Meetings Act.

16 (d) A charter school shall comply with all applicable
17 health and safety requirements applicable to public schools
18 under the laws of the State of Illinois.

19 (e) Except as otherwise provided in the School Code, a
20 charter school shall not charge tuition; provided that a
21 charter school may charge reasonable fees for textbooks,
22 instructional materials, and student activities.

23 (f) A charter school shall be responsible for the
24 management and operation of its fiscal affairs including, but
25 not limited to, the preparation of its budget. An audit of each
26 charter school's finances shall be conducted annually by an

1 outside, independent contractor retained by the charter
2 school. Annually, by December 1, every charter school must
3 submit to the State Board a copy of its audit and a copy of the
4 Form 990 the charter school filed that year with the federal
5 Internal Revenue Service.

6 (g) A charter school shall comply with all provisions of
7 this Article, the Illinois Educational Labor Relations Act, and
8 its charter. A charter school is exempt from all other State
9 laws and regulations in the School Code governing public
10 schools and local school board policies, except the following:

11 (1) Sections 10-21.9 and 34-18.5 of the School Code
12 regarding criminal history records checks and checks of the
13 Statewide Sex Offender Database and Statewide Murderer and
14 Violent Offender Against Youth Database of applicants for
15 employment;

16 (2) Sections 24-24 and 34-84A of the School Code
17 regarding discipline of students;

18 (3) The Local Governmental and Governmental Employees
19 Tort Immunity Act;

20 (4) Section 108.75 of the General Not For Profit
21 Corporation Act of 1986 regarding indemnification of
22 officers, directors, employees, and agents;

23 (5) The Abused and Neglected Child Reporting Act;

24 (6) The Illinois School Student Records Act;

25 (7) Section 10-17a of the School Code regarding school
26 report cards; and

1 (8) The P-20 Longitudinal Education Data System Act.

2 The change made by Public Act 96-104 to this subsection (g)
3 is declaratory of existing law.

4 (h) A charter school may negotiate and contract with a
5 school district, the governing body of a State college or
6 university or public community college, or any other public or
7 for-profit or nonprofit private entity for: (i) the use of a
8 school building and grounds or any other real property or
9 facilities that the charter school desires to use or convert
10 for use as a charter school site, (ii) the operation and
11 maintenance thereof, and (iii) the provision of any service,
12 activity, or undertaking that the charter school is required to
13 perform in order to carry out the terms of its charter.
14 However, a charter school that is established on or after the
15 effective date of this amendatory Act of the 93rd General
16 Assembly and that operates in a city having a population
17 exceeding 500,000 may not contract with a for-profit entity to
18 manage or operate the school during the period that commences
19 on the effective date of this amendatory Act of the 93rd
20 General Assembly and concludes at the end of the 2004-2005
21 school year. Except as provided in subsection (i) of this
22 Section, a school district may charge a charter school
23 reasonable rent for the use of the district's buildings,
24 grounds, and facilities. Any services for which a charter
25 school contracts with a school district shall be provided by
26 the district at cost. Any services for which a charter school

1 contracts with a local school board or with the governing body
2 of a State college or university or public community college
3 shall be provided by the public entity at cost.

4 (i) In no event shall a charter school that is established
5 by converting an existing school or attendance center to
6 charter school status be required to pay rent for space that is
7 deemed available, as negotiated and provided in the charter
8 agreement, in school district facilities. However, all other
9 costs for the operation and maintenance of school district
10 facilities that are used by the charter school shall be subject
11 to negotiation between the charter school and the local school
12 board and shall be set forth in the charter.

13 (j) A charter school may limit student enrollment by age or
14 grade level.

15 (k) Any charter school overseen by the State Board in
16 accordance with Section 27A-9.10 of this Code shall be regarded
17 as ~~If the charter school is approved by the Commission, then~~
18 ~~the Commission charter school is~~ its own local education
19 agency.

20 (Source: P.A. 97-152, eff. 7-20-11; 97-154, eff. 1-1-12;
21 97-813, eff. 7-13-12; 98-16, eff. 5-24-13.)

22 (105 ILCS 5/27A-7.5)

23 Sec. 27A-7.5. State Charter School Commission abolished;
24 transfer to the State Board.

25 (a) On the effective date of this amendatory Act of the

1 98th General Assembly, the A State Charter School Commission is
2 abolished and the terms of all members end. On that date, all
3 of the powers, duties, assets, liabilities, contracts,
4 property, records, and pending business of the Commission are
5 transferred to the State Board. For purposes of the Successor
6 Agency Act and Section 9b of the State Finance Act, the State
7 Board is declared to be the successor agency of the Commission.
8 Beginning on the effective date of this amendatory Act of the
9 98th General Assembly, references in statutes, rules, forms,
10 and other documents to the Commission shall, in appropriate
11 contexts, be deemed to refer to the State Board. Standards and
12 procedures of the Commission pertaining to the review of
13 charter school applications, charter school contracting and
14 oversight, and decisions on whether to renew, not renew, or
15 revoke a charter that are in effect on the effective date of
16 this amendatory Act of the 98th General Assembly shall be
17 deemed standards and procedures of the State Board and shall
18 remain in effect until amended or repealed by the State Board.
19 ~~established as an independent commission with statewide~~
20 ~~chartering jurisdiction and authority. The Commission shall be~~
21 ~~under the State Board for administrative purposes only.~~

22 (a-5) (Blank). ~~The State Board shall provide~~
23 ~~administrative support to the Commission as needed.~~

24 (b) (Blank). ~~The Commission is responsible for authorizing~~
25 ~~high quality charter schools throughout this State,~~
26 ~~particularly schools designed to expand opportunities for~~

1 ~~at-risk students, consistent with the purposes of this Article.~~

2 (c) (Blank). ~~The Commission shall consist of 9 members,~~
3 ~~appointed by the State Board. The State Board shall make these~~
4 ~~appointments from a slate of candidates proposed by the~~
5 ~~Governor, within 60 days after the effective date of this~~
6 ~~amendatory Act of the 97th General Assembly with respect to the~~
7 ~~initial Commission members. In making the appointments, the~~
8 ~~State Board shall ensure statewide geographic diversity among~~
9 ~~Commission members. The Governor shall propose a slate of~~
10 ~~candidates to the State Board within 60 days after the~~
11 ~~effective date of this amendatory Act of the 97th General~~
12 ~~Assembly and 60 days prior to the expiration of the term of a~~
13 ~~member thereafter. If the Governor fails to timely propose a~~
14 ~~slate of candidates according to the provisions of this~~
15 ~~subsection (c), then the State Board may appoint the member or~~
16 ~~members of the Commission.~~

17 (d) (Blank). ~~Members appointed to the Commission shall~~
18 ~~collectively possess strong experience and expertise in public~~
19 ~~and nonprofit governance, management and finance, public~~
20 ~~school leadership, higher education, assessments, curriculum~~
21 ~~and instruction, and public education law. All members of the~~
22 ~~Commission shall have demonstrated understanding of and a~~
23 ~~commitment to public education, including without limitation~~
24 ~~charter schooling. At least 3 members must have past experience~~
25 ~~with urban charter schools.~~

26 (e) (Blank). ~~To establish staggered terms of office, the~~

1 ~~initial term of office for 3 Commission members shall be 4~~
2 ~~years and thereafter shall be 4 years; the initial term of~~
3 ~~office for another 3 members shall be 3 years and thereafter~~
4 ~~shall be 4 years; and the initial term of office for the~~
5 ~~remaining 3 members shall be 2 years and thereafter shall be 4~~
6 ~~years. The initial appointments must be made no later than~~
7 ~~October 1, 2011.~~

8 (f) (Blank). ~~Whenever a vacancy on the Commission exists,~~
9 ~~the State Board shall appoint a member for the remaining~~
10 ~~portion of the term.~~

11 (g) On the effective date of this amendatory Act of the
12 98th General Assembly, the Subject to the State Officials and
13 Employees Ethics Act, the Commission is authorized to receive
14 and expend gifts, grants, and donations of any kind from any
15 public or private entity to carry out the purposes of this
16 Article, subject to the terms and conditions under which they
17 are given, provided that all such terms and conditions are
18 permissible under law. Funds received under this subsection (g)
19 must be deposited into the State Charter School Commission
20 Fund. The State Charter School Commission Fund, is created as a
21 special fund in the State treasury, is renamed the State Board
22 Charter Appeal and Charter Authorization Fund. All money in the
23 Fund shall thereafter be used, subject to appropriation, by the
24 State Board, acting on behalf and with the consent of the
25 Commission, for operational and administrative costs of the
26 State Board incurred in carrying out the purposes of this

1 ~~Article Commission. Any gift, grant, or donation of any kind~~
2 ~~made by any public or private entity to the State Charter~~
3 ~~School Commission that remains unexpended in the State Charter~~
4 ~~School Commission Fund on the day before the effective date of~~
5 ~~this amendatory Act of the 98th General Assembly must be~~
6 ~~returned to the participating public or private entity in~~
7 ~~accordance with the terms of the gift, grant, or donation.~~

8 ~~Any fees collected by the State Board, acting pursuant to~~
9 ~~Section 27A-9.15 of this Code, from charter schools or charter~~
10 ~~school applicants must be deposited into the State Board~~
11 ~~Charter Appeal and Charter Authorization Fund, to be used~~
12 ~~Subject to appropriation, any funds appropriated for use by the~~
13 ~~State Board, acting on behalf and with the consent of the~~
14 ~~Commission, may be used for the following purposes, without~~
15 ~~limitation: personal services, contractual services, and other~~
16 ~~operational and administrative costs. The State Board is~~
17 ~~further authorized to make expenditures with respect to any~~
18 ~~other amounts deposited in accordance with law into the State~~
19 ~~Charter School Commission Fund.~~

20 (g-5) ~~(Blank). Funds or spending authority for the~~
21 ~~operation and administrative costs of the Commission shall be~~
22 ~~appropriated to the State Board in a separate line item. The~~
23 ~~State Superintendent of Education may not reduce or modify the~~
24 ~~budget of the Commission or use funds appropriated to the~~
25 ~~Commission without the approval of the Commission.~~

26 (h) ~~(Blank). The Commission shall operate with dedicated~~

1 ~~resources and staff qualified to execute the day to day~~
2 ~~responsibilities of charter school authorizing in accordance~~
3 ~~with this Article. The Commission may employ and fix the~~
4 ~~compensation of such employees and technical assistants as it~~
5 ~~deems necessary to carry out its powers and duties under this~~
6 ~~Article, without regard to the requirements of any civil~~
7 ~~service or personnel statute, and may establish and administer~~
8 ~~standards of classification of all such persons with respect to~~
9 ~~their compensation, duties, performance, and tenure and enter~~
10 ~~into contracts of employment with such persons for such periods~~
11 ~~and on such terms as the Commission deems desirable.~~

12 (i) (Blank). ~~Every 2 years, the Commission shall provide to~~
13 ~~the State Board and local school boards a report on best~~
14 ~~practices in charter school authorizing, including without~~
15 ~~limitation evaluating applications, oversight of charters, and~~
16 ~~renewal of charter schools.~~

17 (j) (Blank). ~~The Commission may charge a charter school~~
18 ~~that it authorizes a fee, not to exceed 3% of the revenue~~
19 ~~provided to the school, to cover the cost of undertaking the~~
20 ~~ongoing administrative responsibilities of the eligible~~
21 ~~chartering authority with respect to the school. This fee must~~
22 ~~be deposited into the State Charter School Commission Fund.~~

23 (k) On the effective date of this amendatory Act of the
24 98th General Assembly, any ~~Any~~ charter school authorized by the
25 State Charter School Commission ~~State Board~~ prior to this
26 amendatory Act of the 98th ~~97th~~ General Assembly shall have its

1 authorization transferred to ~~the Commission upon a vote of the~~
2 State Board, which shall then become the school's authorizer
3 for all purposes under this Article. ~~However, in no case shall~~
4 ~~such transfer take place later than July 1, 2012.~~ At this time,
5 all of the powers, duties, assets, liabilities, contracts,
6 property, records, and pending business of the State Charter
7 School Commission ~~State Board~~ as the school's authorizer must
8 be transferred to the State Board Commission. Any charter
9 school authorized by a local school board or boards may seek
10 transfer of authorization to the State Board Commission during
11 its current term only with the approval of the local school
12 board or boards. The charter school must submit a proposed
13 agreement to the Charter School Appeal Board, where it must be
14 addressed by that body in accordance with Section 27A-9.5 of
15 this Code. At the end of its charter term, a charter school
16 authorized by a local school board or boards must reapply to
17 the board or boards before it may apply for authorization to
18 the State Board Commission under the terms of this Article
19 ~~amendatory Act of the 97th General Assembly.~~

20 (k-5) On the effective date of this amendatory Act of the
21 98th ~~97th~~ General Assembly, all rules of the State Board
22 applicable to matters falling within the responsibility of the
23 State Charter School Commission shall be applicable to the
24 actions of the State Board Commission. ~~The Commission shall~~
25 ~~thereafter have the authority to propose to the State Board~~
26 ~~modifications to all rules applicable to matters falling within~~

1 ~~the responsibility of the Commission. The State Board shall~~
2 ~~retain rulemaking authority for the Commission, but shall work~~
3 ~~jointly with the Commission on any proposed modifications. Upon~~
4 ~~recommendation of proposed rule modifications by the~~
5 ~~Commission and pursuant to the Illinois Administrative~~
6 ~~Procedure Act, the State Board shall consider such changes~~
7 ~~within the intent of this amendatory Act of the 97th General~~
8 ~~Assembly and grant any and all changes consistent with that~~
9 ~~intent.~~

10 (1) (Blank). ~~The Commission shall have the responsibility~~
11 ~~to consider appeals under this Article immediately upon~~
12 ~~appointment of the initial members of the Commission under~~
13 ~~subsection (c) of this Section. Appeals pending at the time of~~
14 ~~initial appointment shall be determined by the Commission; the~~
15 ~~Commission may extend the time for review as necessary for~~
16 ~~thorough review, but in no case shall the extension exceed the~~
17 ~~time that would have been available had the appeal been~~
18 ~~submitted to the Commission on the date of appointment of its~~
19 ~~initial members. In any appeal filed with the Commission under~~
20 ~~this Article, both the applicant and the school district in~~
21 ~~which the charter school plans to locate shall have the right~~
22 ~~to request a hearing before the Commission. If more than one~~
23 ~~entity requests a hearing, then the Commission may hold only~~
24 ~~one hearing, wherein the applicant and the school district~~
25 ~~shall have an equal opportunity to present their respective~~
26 ~~positions.~~

1 (Source: P.A. 97-152, eff. 7-20-11; 97-641, eff. 12-19-11;
2 97-1156, eff. 1-25-13.)

3 (105 ILCS 5/27A-7.10)

4 Sec. 27A-7.10. Authorizer powers and duties; immunity;
5 principles and standards.

6 (a) Authorizers are responsible for executing, in
7 accordance with this Article, all of the following powers and
8 duties:

9 (1) Evaluating all ~~Soliciting and evaluating~~ charter
10 applications in accordance with all timelines, rules, and
11 procedures set forth in this Article.

12 (2) Approving quality charter applications that meet
13 identified educational needs and promote a diversity of
14 educational choices.

15 (3) Declining to approve weak or inadequate charter
16 applications.

17 (4) Negotiating and executing sound charter contracts
18 with each approved charter school.

19 (5) Monitoring, in accordance with charter contract
20 terms, the performance and legal compliance of charter
21 schools.

22 (6) Determining whether each charter contract merits
23 renewal, nonrenewal, or revocation.

24 (b) An authorizing entity may delegate its duties to
25 officers, employees, and contractors. This includes delegation

1 by the State Board of any of its duties related to charter
2 school authorization work to the Charter School Appeal Board.

3 (c) Regulation by authorizers is limited to the powers and
4 duties set forth in subsection (a) of this Section and must be
5 consistent with the spirit and intent of this Article.

6 (d) An authorizing entity, members of the local school
7 board, or the Charter School Appeal Board ~~Commission~~, in their
8 official capacity, and employees of an authorizer are immune
9 from civil and criminal liability with respect to all
10 activities related to a charter school that they authorize,
11 except for willful or wanton misconduct.

12 (e) All ~~The Commission and all~~ local school boards that
13 have a charter school operating are required to develop and
14 maintain chartering policies and practices consistent with
15 recognized principles and standards for quality charter
16 authorizing in all major areas of authorizing responsibility,
17 including all of the following:

- 18 (1) Organizational capacity and infrastructure.
- 19 (2) Soliciting and evaluating charter applications.
- 20 (3) Performance contracting.
- 21 (4) Ongoing charter school oversight and evaluation.
- 22 (5) Charter renewal decision-making.

23 Authorizers shall carry out all their duties under this
24 Article in a manner consistent with nationally recognized
25 principles and standards and with the spirit and intent of this
26 Article.

1 (Source: P.A. 97-152, eff. 7-20-11.)

2 (105 ILCS 5/27A-8)

3 Sec. 27A-8. Evaluation of charter proposals.

4 (a) This Section does not apply to a charter school
5 established by referendum under Section 27A-6.5. In evaluating
6 any charter school proposal submitted to it, the local school
7 board and the Charter School Appeal Board in accordance with
8 Section 27A-9.5 of this Code ~~Commission~~ shall give preference
9 to proposals that:

10 (1) demonstrate a high level of local pupil, parental,
11 community, business, and school personnel support;

12 (2) set rigorous levels of expected pupil achievement
13 and demonstrate feasible plans for attaining those levels
14 of achievement; and

15 (3) are designed to enroll and serve a substantial
16 proportion of at-risk children; provided that nothing in
17 the Charter Schools Law shall be construed as intended to
18 limit the establishment of charter schools to those that
19 serve a substantial portion of at-risk children or to in
20 any manner restrict, limit, or discourage the
21 establishment of charter schools that enroll and serve
22 other pupil populations under a nonexclusive,
23 nondiscriminatory admissions policy.

24 (b) In the case of a proposal to establish a charter school
25 by converting an existing public school or attendance center to

1 charter school status, evidence that the proposed formation of
2 the charter school has received majority support from certified
3 teachers and from parents and guardians in the school or
4 attendance center affected by the proposed charter, and, if
5 applicable, from a local school council, shall be demonstrated
6 by a petition in support of the charter school signed by
7 certified teachers and a petition in support of the charter
8 school signed by parents and guardians and, if applicable, by a
9 vote of the local school council held at a public meeting. In
10 the case of all other proposals to establish a charter school,
11 evidence of sufficient support to fill the number of pupil
12 seats set forth in the proposal may be demonstrated by a
13 petition in support of the charter school signed by parents and
14 guardians of students eligible to attend the charter school. In
15 all cases, the individuals, organizations, or entities who
16 initiate the proposal to establish a charter school may elect,
17 in lieu of including any petition referred to in this
18 subsection as a part of the proposal submitted to the local
19 school board, to demonstrate that the charter school has
20 received the support referred to in this subsection by other
21 evidence and information presented at the public meeting that
22 the local school board is required to convene under this
23 Section.

24 (c) Within 45 days of receipt of a charter school proposal,
25 the local school board shall convene a public meeting to obtain
26 information to assist the board in its decision to grant or

1 deny the charter school proposal. A local school board may
2 develop its own process for receiving charter school proposals
3 on an annual basis that follows the same timeframes as set
4 forth in this Article. Only after the local school board
5 process is followed may a charter school applicant appeal to
6 the Charter School Appeal Board, in accordance with Section
7 27A-9.5 of this Code ~~Commission.~~

8 (d) Notice of the public meeting required by this Section
9 shall be published in a community newspaper published in the
10 school district in which the proposed charter is located and,
11 if there is no such newspaper, then in a newspaper published in
12 the county and having circulation in the school district. The
13 notices shall be published not more than 10 days nor less than
14 5 days before the meeting and shall state that information
15 regarding a charter school proposal will be heard at the
16 meeting. Copies of the notice shall also be posted at
17 appropriate locations in the school or attendance center
18 proposed to be established as a charter school, the public
19 schools in the school district, and the local school board
20 office. If 45 days pass without the local school board holding
21 a public meeting, then the charter applicant may submit the
22 proposal to the Charter School Appeal Board ~~Commission~~, where
23 it must be addressed by that body in accordance with Section
24 27A-9.5 of this Code ~~in accordance with the provisions set~~
25 ~~forth in subsection (g) of this Section.~~

26 (e) Within 30 days of the public meeting, the local school

1 board shall vote, in a public meeting, to either grant or deny
2 the charter school proposal. If the local school board has not
3 voted in a public meeting within 30 days after the public
4 meeting, then the charter applicant may submit the proposal to
5 the Charter School Appeal Board Commission, where it must be
6 addressed by that body in accordance with Section 27A-9.5 of
7 this Code ~~in accordance with the provisions set forth in~~
8 ~~subsection (g) of this Section.~~

9 (f) Within 7 days of the public meeting required under
10 subsection (e) of this Section, the local school board shall
11 file a report with the State Board granting or denying the
12 proposal. If the local school board has approved the proposal,
13 within 30 days of receipt of the local school board's report,
14 the State Board shall determine whether the approved charter
15 proposal is consistent with the provisions of this Article and,
16 if the approved proposal complies, certify the proposal
17 pursuant to Section 27A-6.

18 (g) If the local school board votes to deny the proposal,
19 then the charter school applicant has 30 days from the date of
20 that vote to submit an appeal to the Charter School Appeal
21 Board, where it must be addressed by that body in accordance
22 with Section 27A-9.5 of this Code. ~~Commission. In such~~
23 ~~instances or in those instances referenced in subsections (d)~~
24 ~~and (e) of this Section, the Commission shall follow the same~~
25 ~~process and be subject to the same timelines for review as the~~
26 ~~local school board.~~

1 (h) (Blank). ~~The Commission may reverse a local school~~
2 ~~board's decision to deny a charter school proposal if the~~
3 ~~Commission finds that the proposal (i) is in compliance with~~
4 ~~this Article and (ii) is in the best interests of the students~~
5 ~~the charter school is designed to serve. Final decisions of the~~
6 ~~Commission are subject to judicial review under the~~
7 ~~Administrative Review Law.~~

8 (i) In the case of a charter school proposed to be jointly
9 authorized by 2 or more school districts, the local school
10 boards may unanimously deny the charter school proposal with a
11 statement that the local school boards are not opposed to the
12 charter school, but that they yield authorization authority to
13 the State Board Commission in light of the complexities of
14 joint administration. In such instances, the charter school
15 must submit a proposed agreement to the Charter School Appeal
16 Board, where it must be addressed by that body in accordance
17 with Section 27A-9.5 of this Code.

18 (Source: P.A. 96-105, eff. 7-30-09; 96-734, eff. 8-25-09;
19 96-1000, eff. 7-2-10; 97-152, eff. 7-20-11.)

20 (105 ILCS 5/27A-9)

21 Sec. 27A-9. Term of charter; renewal.

22 (a) A charter may be granted for a period not less than 5
23 and not more than 10 school years. A charter may be renewed in
24 incremental periods not to exceed 5 school years.

25 (b) A charter school renewal proposal submitted to the

1 local school board or the State Board ~~Commission~~, as the
2 chartering entity, shall contain:

3 (1) A report on the progress of the charter school in
4 achieving the goals, objectives, pupil performance
5 standards, content standards, and other terms of the
6 initial approved charter proposal; and

7 (2) A financial statement that discloses the costs of
8 administration, instruction, and other spending categories
9 for the charter school that is understandable to the
10 general public and that will allow comparison of those
11 costs to other schools or other comparable organizations,
12 in a format required by the State Board.

13 (c) A charter may be revoked or not renewed if the local
14 school board or the State Board ~~Commission~~, as the chartering
15 entity, clearly demonstrates that the charter school did any of
16 the following, or otherwise failed to comply with the
17 requirements of this law:

18 (1) Committed a material violation of any of the
19 conditions, standards, or procedures set forth in the
20 charter.

21 (2) Failed to meet or make reasonable progress toward
22 achievement of the content standards or pupil performance
23 standards identified in the charter.

24 (3) Failed to meet generally accepted standards of
25 fiscal management.

26 (4) Violated any provision of law from which the

1 charter school was not exempted.

2 In the case of revocation, the local school board or the
3 State Board Commission, as the chartering entity, shall notify
4 the charter school in writing of the reason why the charter is
5 subject to revocation. The charter school shall submit a
6 written plan to the local school board or the State Board
7 Commission, whichever is applicable, to rectify the problem.
8 The plan shall include a timeline for implementation, which
9 shall not exceed 2 years or the date of the charter's
10 expiration, whichever is earlier. If the local school board or
11 the State Board Commission, as the chartering entity, finds
12 that the charter school has failed to implement the plan of
13 remediation and adhere to the timeline, then the chartering
14 entity shall revoke the charter. Except in situations of an
15 emergency where the health, safety, or education of the charter
16 school's students is at risk, the revocation shall take place
17 at the end of a school year. Nothing in this amendatory Act of
18 the 96th General Assembly shall be construed to prohibit an
19 implementation timetable that is less than 2 years in duration.

20 (d) (Blank).

21 (d-5) A decision by the local school board or the State
22 Board, as the chartering entity, to renew, not renew, or revoke
23 a charter must be made by vote in a public meeting.

24 (d-10) If, in accordance with this Section, the local
25 school board votes to revoke or not renew a charter, the
26 charter school has 30 days from the date of the decision to

1 submit an appeal to the Charter School Appeal Board, where it
2 must be addressed in accordance with Section 27A-9.5 of this
3 Code.

4 (e) (Blank). ~~Notice of a local school board's decision to~~
5 ~~deny, revoke or not to renew a charter shall be provided to the~~
6 ~~Commission and the State Board. The Commission may reverse a~~
7 ~~local board's decision if the Commission finds that the charter~~
8 ~~school or charter school proposal (i) is in compliance with~~
9 ~~this Article, and (ii) is in the best interests of the students~~
10 ~~it is designed to serve. The State Board may condition the~~
11 ~~granting of an appeal on the acceptance by the charter school~~
12 ~~of funding in an amount less than that requested in the~~
13 ~~proposal submitted to the local school board. Final decisions~~
14 ~~of the Commission shall be subject to judicial review under the~~
15 ~~Administrative Review Law.~~

16 (f) (Blank). ~~Notwithstanding other provisions of this~~
17 ~~Article, if the Commission on appeal reverses a local board's~~
18 ~~decision or if a charter school is approved by referendum, the~~
19 ~~Commission shall act as the authorized chartering entity for~~
20 ~~the charter school. The Commission shall approve the charter~~
21 ~~and shall perform all functions under this Article otherwise~~
22 ~~performed by the local school board. The State Board shall~~
23 ~~determine whether the charter proposal approved by the~~
24 ~~Commission is consistent with the provisions of this Article~~
25 ~~and, if the approved proposal complies, certify the proposal~~
26 ~~pursuant to this Article. The State Board shall report the~~

1 ~~aggregate number of charter school pupils resident in a school~~
2 ~~district to that district and shall notify the district of the~~
3 ~~amount of funding to be paid by the Commission to the charter~~
4 ~~school enrolling such students. The Commission shall require~~
5 ~~the charter school to maintain accurate records of daily~~
6 ~~attendance that shall be deemed sufficient to file claims under~~
7 ~~Section 18-8.05 notwithstanding any other requirements of that~~
8 ~~Section regarding hours of instruction and teacher~~
9 ~~certification. The State Board shall withhold from funds~~
10 ~~otherwise due the district the funds authorized by this Article~~
11 ~~to be paid to the charter school and shall pay such amounts to~~
12 ~~the charter school.~~

13 (g) (Blank). ~~For charter schools authorized by the~~
14 ~~Commission, the Commission shall quarterly certify to the State~~
15 ~~Board the student enrollment for each of its charter schools.~~

16 (h) (Blank). ~~For charter schools authorized by the~~
17 ~~Commission, the State Board shall pay directly to a charter~~
18 ~~school any federal or State aid attributable to a student with~~
19 ~~a disability attending the school.~~

20 (Source: P.A. 96-105, eff. 7-30-09; 97-152, eff. 7-20-11.)

21 (105 ILCS 5/27A-9.5 new)

22 Sec. 27A-9.5. Charter School Appeal Board.

23 (a) To address charter school proposals that were not
24 addressed by a local school board within the timelines
25 established in Section 27A-8 of this Code and to address

1 appeals of a local school board's decision to deny, revoke, or
2 not renew a charter school, there is created a Charter School
3 Appeal Board within the State Board. The Charter School Appeal
4 Board shall be convened and staffed by the State Board. It
5 shall consist of the State Superintendent of Education or a
6 representative appointed by him or her, who shall serve as a
7 non-voting, ex officio chairperson, and 9 additional members
8 who are selected by the State Superintendent and are
9 representative of the geographic, racial, ethnic, and cultural
10 diversity of this State. The 9 members selected by the State
11 Superintendent shall comprise the voting members of the Charter
12 School Appeal Board.

13 All members of the Charter School Appeal Board must be
14 selected within 60 days after the effective date of this
15 amendatory Act of the 98th General Assembly. Members of the
16 Charter School Appeal Board shall collectively possess,
17 without limitation, strong experience and expertise in public
18 and nonprofit governance, management, and finance, public
19 school leadership, higher education, assessments, curriculum
20 and instruction, and public education law. At least 3 members
21 of the Charter School Appeal Board must have past experience
22 with urban charter schools, at least one member of the Charter
23 School Appeal Board must be experienced and knowledgeable
24 relative to the provision of special education and related
25 services for individuals with disabilities, and at least one
26 member of the Charter School Appeal Board must be experienced

1 and knowledgeable related to the provision of English Language
2 Learning programs and services. All members of the Charter
3 School Appeal Board must have a demonstrated understanding of
4 and a commitment to public education, including without
5 limitation charter schooling.

6 (b) The initial term of each voting member of the Charter
7 School Appeal Board shall begin on the date that the member is
8 selected and shall terminate 2 years after the effective date
9 of this amendatory Act of the 98th General Assembly.
10 Thereafter, the regular term for each voting member of the
11 Charter School Appeal Board is 2 years. Open seats shall be
12 filled as follows:

13 (1) The State Superintendent shall select a member to
14 fill an expiring term of a voting member of the Charter
15 School Appeal Board not less than 30 days before the
16 expiration of that term.

17 (2) Whenever a vacancy occurs in the voting membership
18 of the Charter School Appeal Board due to death,
19 resignation, or otherwise, the State Superintendent shall
20 select a new member to fill that vacancy for the remaining
21 portion of the term. The State Superintendent shall make
22 the selection within 30 days after the effective date of
23 the vacancy.

24 (c) The State Superintendent shall select a secretary of
25 the Charter School Appeal Board.

26 (d) The Charter School Appeal Board shall have the

1 responsibility to consider appeals under this Article
2 immediately upon constitution, including any appeals pending
3 before the State Charter School Commission on the effective
4 date of this amendatory Act of the 98th General Assembly, and
5 shall meet at least quarterly and for such other special
6 meetings as may be necessary to carry out its duties.

7 (e) Notice of a local school board's decision to deny,
8 revoke, or not renew a charter shall be provided to the Charter
9 School Appeal Board and the State Board. The Charter School
10 Appeal Board may approve a charter school proposal that was not
11 addressed by a local school board within the timelines
12 established in Section 27A-8 of this Code or may reverse a
13 local school board's decision to deny, revoke, or not renew a
14 charter if the Charter School Appeal Board finds that the
15 charter school or charter school proposal (i) is in compliance
16 with this Article and (ii) is in the best interests of the
17 students it is designed to serve. In determining whether the
18 proposal is in compliance with this Article, the Charter School
19 Appeal Board shall consider whether the proposal addresses all
20 of the requirements of subsection (a) of Section 27A-7 of this
21 Code, including whether the terms of the charter as proposed
22 are economically sound for both the charter school and the
23 school district. The Charter School Appeal Board may condition
24 the granting of an appeal on the acceptance by the charter
25 school of funding in an amount less than that requested in the
26 proposal submitted to the local school board.

1 (f) The Charter School Appeal Board shall consider any
2 appeal or request for consideration of a charter school
3 proposal submitted in accordance with this Article at its next
4 regularly scheduled meeting, provided that the next regularly
5 scheduled meeting is no earlier than 45 days after receipt by
6 the Charter School Appeal Board of the appeal or request for
7 consideration. In all other cases, the Charter School Appeal
8 Board shall consider the appeal or request for consideration at
9 the regularly scheduled meeting that follows the next regularly
10 scheduled meeting of the Charter School Appeal Board.

11 (g) The State Board shall have the power to reverse a
12 decision of the Charter School Appeal Board within 90 days
13 after the date of the vote of the Charter School Appeal Board.
14 If the State Board does not act on a decision of the Charter
15 School Appeal Board within 90 days after the date of the vote,
16 the decision of the Charter School Appeal Board is considered
17 final and is subject to judicial review under the
18 Administrative Review Law. If the State Board overturns the
19 decision of the Charter School Appeal Board within 90 days
20 after the date of the vote, the decision of the State Board is
21 considered final and is subject to judicial review under the
22 Administrative Review Law.

23 (h) All records submitted to the Charter School Appeal
24 Board or to the State Board for the purposes of its review of a
25 charter school proposal and any written decision by the Charter
26 School Appeal Board or by the State Board pertaining to a

1 charter school proposal are considered public records under the
2 Freedom of Information Act and must be posted on the Internet
3 website maintained by the State Board.

4 (i) The necessary expenses of the Charter School Appeal
5 Board shall be provided through the State Board. The State
6 Board, in consultation with the Charter School Appeal Board,
7 may adopt such rules as may be necessary for the administration
8 of this Article.

9 (j) The State Board shall review the operations of the
10 Charter School Appeal Board and the effect of its charter
11 school authorization work on the public school system. Not
12 later than January 1, 2017, the State Board shall issue a
13 report to the General Assembly and the Governor on its findings
14 for the 2 previous years. The State Board's report shall
15 include findings with respect to all of the following, without
16 limitation:

17 (1) The capacity of the Charter School Appeal Board to
18 address charter school proposals and process charter
19 school appeals in accordance with this Article.

20 (2) The capacity of the State Board to act as the
21 authorized chartering entity for charter schools in
22 accordance with this Article.

23 (3) The need for a State appropriation to support the
24 work of the Charter School Appeal Board or the State Board
25 in carrying out its duties and functions under this
26 Article.

1 (4) Whether charter schools or charter school
2 applicants were charged any fees by the State Board in
3 accordance with Section 27A-9.15 of this Code.

4 (5) Suggested changes in State law necessary to
5 strengthen charter school authorization at the State
6 level.

7 (k) The State Board may adopt rules to implement this
8 Section.

9 (105 ILCS 5/27A-9.10 new)

10 Sec. 27A-9.10. Charter schools authorized by the State
11 Board.

12 (a) Notwithstanding other provisions of this Article, the
13 State Board shall act as the authorized chartering entity for
14 all charter schools:

15 (1) approved by referendum under Section 27A-6.5 of
16 this Code;

17 (2) approved by the Charter School Appeal Board upon
18 any appeal or request for consideration made in accordance
19 with this Article;

20 (3) approved by the State Board upon reversal of any
21 decision of the Charter School Appeal Board to deny a
22 charter school proposal; and

23 (4) transferred to the State Board from the State
24 Charter School Commission under Section 27A-7.5 of this
25 Code.

1 The State Board shall approve each such charter and shall
2 perform all functions under this Article otherwise performed by
3 the local school board.

4 The State Board shall report the aggregate number of
5 charter school pupils resident in a school district to that
6 district and shall notify the district of the amount of funding
7 to be paid by the State Board to the charter school enrolling
8 those students. The State Board shall require the charter
9 school to maintain accurate records of daily attendance that
10 are deemed sufficient to file claims under Section 18-8.05 of
11 this Code, notwithstanding any other requirements of Section
12 18-8.05 of this Code regarding hours of instruction and teacher
13 certification. The State Board shall withhold from funds
14 otherwise due the district the funds authorized by this Article
15 to be paid to the charter school and shall pay such amounts to
16 the charter school.

17 (b) For charter schools overseen by the State Board in
18 accordance with this Section, the State Board shall pay
19 directly to a charter school any federal or State aid
20 attributable to a student with a disability attending the
21 charter school.

22 (105 ILCS 5/27A-9.15 new)

23 Sec. 27A-9.15. Annual appropriation; fees. The State Board
24 shall annually request an appropriation from the General
25 Revenue Fund to carry out the purposes of this Article. If the

1 State Board does not receive an appropriation in any fiscal
2 year in an amount sufficient to carry out the work of the
3 Charter School Appeal Board and the work of the State Board as
4 a charter school authorizer under this Article, the State Board
5 is authorized to charge any charter school that it authorizes a
6 fee not to exceed 3% of the revenue provided to the charter
7 school and to charge a processing fee to any charter school
8 applicant that submits a charter school appeal or request for
9 consideration to the Charter School Appeal Board. Any fee
10 received in accordance with this Section from a charter school
11 or charter applicant must be deposited into the State Board
12 Charter Appeal and Charter Authorization Fund, in accordance
13 with Section 27A-7.5 of this Code.

14 (105 ILCS 5/27A-12)

15 Sec. 27A-12. Evaluation; report. On or before September 30
16 of every odd-numbered year, all local school boards with at
17 least one charter school, ~~as well as the Commission,~~ shall
18 submit to the State Board any information required by the State
19 Board pursuant to applicable rule. On or before the second
20 Wednesday in January of every even-numbered year, the State
21 Board shall issue a report to the General Assembly and the
22 Governor on its findings for the previous 2 school years. The
23 State Board's report shall summarize all of the following:

24 (1) The authorizer's strategic vision for chartering
25 and progress toward achieving that vision.

1 (2) The academic and financial performance of all
2 operating charter schools overseen by the authorizer,
3 according to the performance expectations for charter
4 schools set forth in this Article.

5 (3) The status of the authorizer's charter school
6 portfolio, identifying all charter schools in each of the
7 following categories: approved (but not yet open),
8 operating, renewed, transferred, revoked, not renewed,
9 voluntarily closed, or never opened.

10 (4) The authorizing functions provided by the
11 authorizer to the charter schools under its purview,
12 including the authorizer's operating costs and expenses
13 detailed in annual audited financial statements, which
14 must conform with generally accepted accounting
15 principles.

16 Further, in the report required by this Section, the State
17 Board (i) shall compare the performance of charter school
18 pupils with the performance of ethnically and economically
19 comparable groups of pupils in other public schools who are
20 enrolled in academically comparable courses, (ii) shall review
21 information regarding the regulations and policies from which
22 charter schools were released to determine if the exemptions
23 assisted or impeded the charter schools in meeting their stated
24 goals and objectives, and (iii) shall include suggested changes
25 in State law necessary to strengthen charter schools.

26 In addition, the State Board shall undertake and report on

1 periodic evaluations of charter schools that include
2 evaluations of student academic achievement, the extent to
3 which charter schools are accomplishing their missions and
4 goals, the sufficiency of funding for charter schools, and the
5 need for changes in the approval process for charter schools.

6 Based on the information that the State Board receives from
7 authorizers and the State Board's ongoing monitoring of both
8 charter schools and authorizers, the State Board has the power
9 to remove the power to authorize from any authorizer in this
10 State if the authorizer does not demonstrate a commitment to
11 high-quality authorization practices and, if necessary, revoke
12 the chronically low-performing charters authorized by the
13 authorizer at the time of the removal. The State Board shall
14 adopt rules as needed to carry out this power, including
15 provisions to determine the status of schools authorized by an
16 authorizer whose authorizing power is revoked.

17 (Source: P.A. 96-105, eff. 7-30-09; 97-152, eff. 7-20-11.)".